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SOUTHEAST SPOUSE ABUSE PROGRAM

Financial Statements

As of and for the Year Ended June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-2-05

Anthony B. Baglio, C.P.A.
A Professional Accounting Corporation
Hammond, Louisiana

**Southeast Spouse Abuse Program
Annual Financial Statements
As of and for the Year Ended June 30, 2004**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of the Southeast Spouse Abuse Program
Hammond, Louisiana 70401

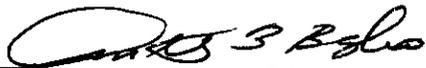
I have audited the accompanying statement of financial position of the Southeast Spouse Abuse Program (a nonprofit organization) as of June 30, 2004, and the related statement of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Southeast Spouse Abuse Program as of June 30, 2004, and the changes in the net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 16, 2004, on my consideration of the Southeast Spouse Abuse Program's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of the Southeast Spouse Abuse Program taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana
December 16, 2004

**Southeast Spouse Abuse Program
Statement of Financial Position
For the Year Ended June 30, 2004**

Assets

Current Assets:

Cash	\$	53,415
Receivable - LA State General Fund		12,009
Receivable - LA Marriage License		2,384
Receivable - Family Violence Prevention		7,530
Receivable - Child Advocate TANF		8,368
Receivable - Crime Victims Assistance		5,058
Receivable - Violence Against Women Act		4,125
Receivable - Housing and Urban Development		16,929
Receivable - Housing and Urban Development		3,027
Receivable - Emergency Shelter Grant Program		3,424
Receivable - LCADV - St. Helena Parish		5,750
Receivable - LCADV - Tangipahoa Parish		5,263
Receivable - LCADV - Washington Parish		1,987
Receivable - LCADV - St. Helena Rural		501
Receivable - LCADV - Child Washington		1,859
Receivable - LCADV - Child St. Helena		2,177
Receivable - Livingston RPAP		4,342
Unconditional Promises to Give:		
Tangipahoa Area United Way funding for the next fiscal year		19,000
Bogalusa Area United Way funding for the next fiscal year		1,800
Prepaid Expenses		6,986
Total Current Assets		165,934

Fixed Assets:

Computers, Software and Printers		41,229
Furniture & Fixtures		10,427
Office Equipment		46,198
Library		433
Leasehold Improvements		13,809
Less: Accumulated Depreciation		(77,213)
Total Fixed Assets		34,883
Total Assets	\$	200,817

Liabilities and Net Assets

Current Liabilities:

Accrued Salary Payable	\$	8,972
Accrued Vacation Payable		6,192
Accrued Payroll Liabilities		1,347
Total Current Liabilities		16,511

Net Assets:

Unrestricted Net Assets		163,506
Temporarily Restricted Net Assets		20,800
Total Net Assets		184,306
Total Liabilities & Net Assets	\$	200,817

The accompanying notes are an integral part of this statement

**Southeast Spouse Abuse Program
Statement of Activities
For the Year Ended June 30, 2004**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Public Support & Revenue			
Office of Women's Policy:			
State General Fund	\$ -	\$ 106,698	\$ 106,698
Family Violence Prevention Fund	-	78,936	78,936
Louisiana Marriage License Fund	-	23,253	23,253
Temporary Assistance to Needy Families	-	44,496	44,496
Louisiana Commission On Law Enforcement:			
Crime Victims Assistance	-	79,885	79,885
Stop Violence Against Women Act	-	13,783	13,783
Louisiana Coalition Against Domestic Violence:			
Rural Project Assistance Program - St. Helena	-	43,696	43,696
Rural Project Assistance Program - Tangipahoa	-	16,599	16,599
Rural Project Assistance Program - Washington	-	4,711	4,711
Rural Project Assistance Program - Livingston	-	10,713	10,713
Temporary Assistance to Needy Families - St. Helena	-	3,230	3,230
Children's Services - St. Helena	-	17,469	17,469
Children's Services - Washington	-	11,106	11,106
Stipends for Violence Against Women With Disabilities	-	5,400	5,400
Interest On Lawyers Trust Account (IOLTA)	-	14,225	14,225
United Way Funds:			
Tangipahoa Area United Way	-	19,000	19,000
Bogalusa Area United Way	-	2,600	2,600
City Of Hammond:			
Emergency Shelter Grant Program	-	12,714	12,714
Housing and Urban Development:			
Transitional Housing	-	135,457	135,457
Extended Housing	-	34,021	34,021
Southeast Louisiana Legal Services	6,001	-	6,001
Donations	4,092	-	4,092
Fund Raising	742	-	742
Interest Income	53	-	53
In-Kind Donations	27,818	-	27,818
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	657,192	(657,192)	-
Satisfaction of Time Restrictions	23,000	(23,000)	-
Total Public Support & Revenue	<u>718,898</u>	<u>(2,200)</u>	<u>716,698</u>

(Continued)

The accompanying notes are an integral part of this statement

**Southeast Spouse Abuse Program
Statement of Activities
For the Year Ended June 30, 2004**

Expenses	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Totals</u>
Payroll -			
Salaries & Wages	\$ 328,654	\$ -	\$ 328,654
Payroll Taxes	25,033	-	25,033
Total Payroll Expense	<u>353,687</u>	-	<u>353,687</u>
Advertising	689	-	689
Apartment Rent	90,156	-	90,156
Apartment Utilities	12,396	-	12,396
Bank Charges	328	-	328
Client Emergency Expense	36,263	-	36,263
Contract Services	10,483	-	10,483
Depreciation	13,145	-	13,145
Disability Insurance	3,238	-	3,238
Director's & Officers Liability Insurance	2,088	-	2,088
Dues & Subscriptions	992	-	992
Employee Travel	11,896	-	11,896
Fund Raising	240	-	240
Health Insurance	22,023	-	22,023
In-Kind	27,818	-	27,818
Janitorial	1,282	-	1,282
Liability Insurance	10,959	-	10,959
Maintenance	2,007	-	2,007
Miscellaneous	6,879	-	6,879
Office Rent	28,754	-	28,754
Pager	221	-	221
Postage	1,015	-	1,015
Printing	111	-	111
Program Travel	5,004	-	5,004
Supplies	25,492	-	25,492
Telephone	11,787	-	11,787
Training	12,356	-	12,356
Unemployment	3,291	-	3,291
Utilities	7,226	-	7,226
Volunteer Expense	75	-	75
Worker's Compensation	5,861	-	5,861
Total Expenses	<u>707,762</u>	-	<u>707,762</u>
Change in Net Assets	11,136	(2,200)	8,936
Net Assets at Beginning of Year	152,370	23,000	175,370
Net Assets at End of Year	<u>\$ 163,506</u>	<u>\$ 20,800</u>	<u>\$ 184,306</u>

(Concluded)

The accompanying notes are an integral part of this statement

**Southeast Spouse Abuse Program
Statement of Functional Expenses
For the Year Ended June 30, 2004**

Expenses	Supporting Services <u>General and Admin</u>	Program Services <u>Spouse Abuse Services</u>	<u>Total</u>
Payroll -			
Salaries & Wages	\$ 77,566	\$ 251,088	\$ 328,654
Payroll Taxes	5,908	19,125	25,033
Total Payroll Expense	<u>83,474</u>	<u>270,213</u>	<u>353,687</u>
Advertising	122	567	689
Apartment Rent	-	90,156	90,156
Apartment Utilities	-	12,396	12,396
Bank Charges	58	270	328
Client Emergency	-	36,263	36,263
Contract Services	9,208	1,275	10,483
Depreciation	2,333	10,812	13,145
Disability Insurance	764	2,474	3,238
Director's & Officers Liability Insurance	371	1,717	2,088
Dues & Subscriptions	176	816	992
Employee Travel	-	11,896	11,896
Fund Raising	240	-	240
Health Insurance	5,198	16,825	22,023
In-Kind Expenses	-	27,818	27,818
Janitorial	118	1,164	1,282
Liability Insurance	1,945	9,014	10,959
Maintenance	356	1,651	2,007
Miscellaneous	1,221	5,658	6,879
Office Rent	2,429	26,325	28,754
Pager	39	182	221
Postage	180	835	1,015
Printing	20	91	111
Program Travel	888	4,116	5,004
Supplies	4,525	20,967	25,492
Telephone	2,094	9,693	11,787
Training	2,191	10,165	12,356
Unemployment	777	2,514	3,291
Utilities	665	6,561	7,226
Volunteer Expense	13	62	75
Worker's Compensation	1,383	4,478	5,861
Total Expenses	<u>\$ 120,788</u>	<u>\$ 586,974</u>	<u>\$ 707,762</u>

The accompanying notes are an integral part of this statement

**Southeast Spouse Abuse Program
Statement of Cash Flows
For the Year Ended June 30, 2004**

Cash Flows From Operating Activities	
Change in Net Assets	\$ 8,936
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	13,145
Change in Accounts Receivable	(1,113)
Change in Prepaid Expense	(961)
Change in Accrued Salary Payable	1,337
Change in Accrued Vacation Payable	94
Change in Accrued Payroll Liabilities	(809)
Net Cash Provided by Operating Activities	<u>20,629</u>
 Cash Flows From Capital and Related Financing Activities	
Purchase of Equipment	<u>(16,345)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(16,345)</u>
 Net Increase in Cash	
	4,284
Cash, Beginning of Year	<u>49,131</u>
Cash, End of Year	<u>\$ 53,415</u>

The accompanying notes are an integral part of this statement

**Southeast Spouse Abuse Program
Notes to the Financial Statements
As of and for the Year Ended June 30, 2004**

1. Summary of Significant Accounting Policies

A. Nature of the Organization

Southeast Spouse Abuse Program is a nonprofit corporation organized for the purpose of providing the following:

- Emotional and psychological support to victims of family violence through the provision of crisis intervention and support counseling, advocacy, and referrals for other forms of necessary assistance.
- Information on the alternatives available to abused spouses, including information on shelter, public benefits, legal and criminal justice systems.
- Assistance to victims of family violence in establishing lives free from violence through help in searching for employment, housing and child care.
- Education to the people of Tangipahoa, St. Helena, Livingston, and Washington Parishes about the issues, concerns, and problems involved in family violence. This includes the training of law enforcement, health care, social service, and legal personnel who affect the lives of abused spouses.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

C. Basis of Accounting

The financial statements of the Southeast Spouse Abuse Program have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Program considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

E. Concentrations

The Program's primary source of revenue is through grants awarded by the Office of Women's Policy, Louisiana Commission on Law Enforcement and Housing and Urban Development. For the fiscal year ended June 30, 2004, \$253,383, or 35% of the Program's total gross revenue was from grants awarded by the Office of Women's Policy, \$93,668, or 13% of the Program's total gross revenue was from grants awarded by the Louisiana Commission on Law Enforcement, \$169,478 or 24% of the Program's total gross revenue was from grants awarded by Housing and Urban Development and \$112,924 or 16% of the Program's total gross revenue was from grants from Louisiana Coalition Against Domestic Violence.

Southeast Spouse Abuse Program
Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

F. Support and Revenue

Southeast Spouse Abuse Program receives grant and contract support primarily from the Office of Women's Policy, Louisiana Commission on Law Enforcement, Housing and Urban Development, Tangipahoa Area United Way, United Way of Bogalusa, Louisiana Bar Foundation, Louisiana Coalition Against Domestic Violence, the City of Hammond, and Southeast Louisiana Legal Services.

G. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

H. Promises to Give

Unconditional promises to give, if applicable, less an allowance for uncollectible amounts, are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

I. Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition or fair value as of the date of donation. Depreciation is computed on a straight-line basis over estimated useful lives of the equipment (5 to 7 years) and the furniture and fixtures (5 to 7 years).

J. Estimates

The preparation of financial statements in conformance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Donated Services

Contributions of donated non-cash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

**Southeast Spouse Abuse Program
Notes to the Financial Statements
As of and for the Year Ended June 30, 2004**

L. Income Tax Status

The Southeast Spouse Abuse Program has an exemption from federal income taxes under Section 501 C (3) of the Internal Revenue Service Code and from Louisiana income taxes. The organization has been classified as an organization that is not a private foundation under Section 509 (a) (2) of the Internal Revenue Code and qualifies for the 50% charitable contribution deduction for individual donors.

2. Receivables

Receivables at June 30, 2004 were as follows:

	<u>Temporarily Restricted</u>
Office of Women's Policy	\$ 30,291
Louisiana Commission On Law Enforcement	9,183
Housing and Urban Development	19,956
City of Hammond	3,424
Louisiana Coalition Against Domestic Violence	17,537
Tangipahoa Area United Way	19,000
Bogalusa Area United Way	1,800
Livingston RPAP	4,342
	<u>\$ 105,533</u>

The receivable is deemed to be fully collectible by management. Thus, no allowance for uncollectible amounts is necessary at year end.

3. Unconditional Promises To Give

At June 30, 2004, Unconditional Promises to Give consisted of the following:

Tangipahoa Area United Way Fiscal Year 2004-2005	\$ 19,000
Bogalusa Area United Way Fiscal Year 2004-2005	1,800
	<u>\$ 20,800</u>

All of the above unconditional promises to give are receivable in one year or less. The receivable is deemed to be fully collectible by management. Thus, no allowance for uncollectible amounts is necessary at year end.

4. Fixed Assets

Fixed assets at June 30, 2004, are summarized as follows by major classification:

Computers, Software & Printers	\$ 41,229
Furniture and Fixtures	10,427
Office Equipment	48,900
Library	433
Leasehold Improvements	13,809
Subtotal	<u>114,798</u>
Less: Accumulated Depreciation	79,915
Fixed Assets, Net	<u>\$ 34,883</u>

**Southeast Spouse Abuse Program
Notes to the Financial Statements
As of and for the Year Ended June 30, 2004**

Depreciation expense of \$13,145 was recorded at June 30, 2004. A significant portion of the above fixed assets was acquired with restricted assets and title to this property and equipment may revert to the State of Louisiana should the Program cease operations.

5. Accrued Vacation

Vacation days are earned at the rate of one-half day per semi-monthly pay period that an employee satisfactorily completes work. No more than ten vacation days may be carried over from one calendar year to another. Compensation for days remaining will be paid upon termination of employment at the end of each pay period as if that employee had worked during the period. At June 30, 2004, accrued vacation payable is \$6,192.

6. Donated Services

During the fiscal year ended June 30, 2004, volunteer workers donated 758.35 hours of their time to the Program. The value of this contributed time is not reflected in the accompanying financial statements because no objective basis is available to measure its value.

Miscellaneous supplies with an estimated fair value totaling \$27,818 were donated to the Program by various individuals and organizations.

7. Allocation of Expenses

In some cases, common expenses are incurred which support the work performed under more than one grant or contract. Such expenses are allocated as agreed by the funding organizations or, in the absence of an agreement, on the basis which appears most reasonable to the Southeast Spouse Abuse Program.

8. Operating Lease

Southeast Spouse Abuse Program leases office space from the Y.W.C.A. in Bogalusa on a month to month basis for \$200 per month. At June 30, 2004, the amount charged to rent expense under this lease was \$2,400.

Since 1998, the Southeast Spouse Abuse Program had been leasing its office facility with Westpark Investments, Inc. The leased premises specifically consisted of 4,280 square feet of the second floor of the Westpark Professional Building. The Program exercised its option to renew the lease through the thirty-first day of January 2004, at which time the Program moved its office and entered a new lease. At June 30, 2004, the amount charged to rent expense under this lease was \$19,479.

On January 23, 2004, the Southeast Spouse Abuse Program entered a three-year lease for its office facility. The leased premise specifically consists of 4,000 square feet and is located on Highway 51. The term of the lease is for three years commencing on the first day of February 2004 and terminating on the thirty-first day of January 2007 and requires a monthly lease payment of \$1,375. Southeast Spouse Abuse Program has the option to purchase the property at anytime during the lease period at a cost of \$90,000. At June 30, 2004, the amount charged to rent expense under this lease was \$6,875.

**Southeast Spouse Abuse Program
Notes to the Financial Statements
As of and for the Year Ended June 30, 2004**

Future minimum lease payments for office space on Hwy 51 are as follows:

June 30, 2005	\$ 16,500
June 30, 2006	16,500
June 30, 2007	9,625
	<u>\$ 42,625</u>

9. Related Party

One of Southeast Spouse Abuse Program's board members is the Administrative Director of Southeast Louisiana Legal Services (SLLS). The Program's bylaws reserve a permanent position on its board to SLLS as the founding agency of Southeast Spouse Abuse Program. The organizations operate autonomously of each other and do not have a common control. The Program is currently receiving funds from SLLS from a grant they received from the Department of Justice to provide legal services to survivors of domestic violence. These funds were awarded to SLLS on a mandate that they work with a local domestic violence program for screening and referral of survivors of domestic violence to SLLS. During the fiscal year ending June 30, 2004, the Program received \$6,001 from SLLS.

10. Donation of Property

During the fiscal year ending June 30, 2003, Southeast Spouse Abuse Program received a donation of a house and property located in Franklinton, Louisiana. The Program will take physical possession of the property at the death of the donor. Southeast Spouse Abuse Program agreed to purchase property and liability insurance and pay the court cost but will not be responsible for repairs until they have taken physical possession of the property. At June 30, 2004, no amount has been recorded as revenue from this donation.

SUPPLEMENTAL INFORMATION

**Southeast Spouse Abuse Program
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2004**

Section I – Internal Control and Compliance Material to the Financial Statements

No Findings for Section I

Section II – Internal Control and Compliance Material to Federal Awards

No Findings for Section II

Section III – Management Letter

No Findings for Section III

**Southeast Spouse Abuse Program
Corrective Action Plan for Current Year Audit Findings
Year Ended June 30, 2004**

Section I – Internal Control and Compliance Material to the Financial Statements

No Findings for Section I

Section II – Internal Control and Compliance Material to Federal Awards

No Findings for Section II

Section III – Management Letter

No Findings for Section III

**Southeast Spouse Abuse Program
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2004**

- I. Type of Report Issued on the Financial Statements.**
An unqualified opinion was issued on the financial statements for the Southeast Spouse Abuse Program.
- II. Disclosure of Reportable Conditions in Internal Control.**
No reportable conditions were disclosed.
- III. Disclosure of Noncompliance Material to the Financial Statements.**
There were no disclosures of noncompliance material to the financial statements.
- IV. Disclosure of Reportable Conditions in Internal Control over Major Programs.**
There were no reportable conditions for major programs of the Southeast Spouse Abuse Program, which are required to be reported in accordance with *Government Auditing Standards*.
- V. Type of Report Issued for Major Programs.**
Unqualified
- VI. Disclosure of Audit Findings Required to be Reported under S __.510 Audit Findings.**
There were no audit findings required to be reported under S __.510 Audit Findings.
- VII. Identification of Major Programs.**
The major programs identified for the Southeast Spouse Abuse Program, for the fiscal year ended June 30, 2004, were the U.S. Department of Housing and Urban Development Supportive Housing Program (CFDA # 14.235).
- VIII. Dollar Threshold to Distinguish Between Type "A" and Type "B" Programs.**
Expenditures of \$500,000.
- IX. Statements as to whether the Auditee Qualified as Low-Risk Auditee under S __.530.**
Yes. The Southeast Spouse Abuse Program did qualify as a low-risk auditee under the provisions of S __.530.
- X. Findings Which Must be Reported in Accordance with GAGAS.**
There were no findings which must be reported in accordance with GAGAS.

Southeast Spouse Abuse Program

**Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2004**

<u>Federal Grantor/Pass Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements /Expenditures</u>
Department of Justice		
Passed Through Louisiana Commission on Law Enforcement Counselor/Advocate Position	16.575	\$ 79,885
Stop Violence Against Women Act	16.588	13,783
Department of Health and Human Services		
Passed Through Office of Women's Policy		
Family Violence Prevention & Human Services Act	93.67	78,936
Temporary Assistance for Needy Families (TANF)	93.558	44,496
Department of Health and Human Services		
Passed Through City of Hammond		
Emergency Shelter Grants Program	14.231	12,714
Department of Housing and Urban Development		
Supportive Housing Program	14.235	135,457
Extended Housing Program	14.235	34,021
Department of Justice		
Passed Through Louisiana Coalition Against Domestic Violence		
Rural Project Assistance Program	16.589	81,119
Department of Health and Human Services		
Passed Through Louisiana Coalition Against Domestic Violence		
Children's Services - Part of Temporary Assistance for Needy Families (TANF)	93.558	28,575
Temporary Assistance for Needy Families (TANF)	93.558	3,230
Total Federal Awards		\$ 512,216

Note 1 - Basis of Accounting

This schedule of expenditures of federal awards includes the federal grant activity of Southeast Spouse Abuse Program and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

See accountant's report.

ANTHONY B. BAGLIO, C.P.A.
A PROFESSIONAL ACCOUNTING CORPORATION
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
of the Southeast Spouse Abuse Program
Hammond, Louisiana 70401

I have audited the financial statements of the Southeast Spouse Abuse Program (a nonprofit organization) as of and for the year ended June 30, 2004, and have issued my report thereon dated December 16, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Southeast Spouse Abuse Program's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southeast Spouse Abuse Program's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, federal awarding agencies, pass-through entities and Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties.



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana
December 16, 2004

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors
of the Southeast Spouse Abuse Program
Hammond, Louisiana 70401

Compliance

I have audited the compliance of the Southeast Spouse Abuse Program (a nonprofit organization) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The Southeast Spouse Abuse Program's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned cost. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Southeast Spouse Abuse Program's management. My responsibility is to express an opinion on Southeast Spouse Abuse Program's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB *Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Southeast Spouse Abuse Program's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Southeast Spouse Abuse Program's compliance with those requirements.

In my opinion, Southeast Spouse Abuse Program complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of Southeast Spouse Abuse Program is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Southeast Spouse Abuse Program's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

To the Board of Directors of
the Southeast Spouse Abuse Program
December 16, 2004
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My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, Board of Directors, federal awarding agencies, pass-through entities and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties.



Anthony B. Baglio, CPA
A Professional Accounting Corporation
Hammond, Louisiana
December 16, 2004